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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-876]

Welded Line Pipe from the Republic of Korea: Amended Final Results of Antidumping Duty Administrative Review; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) is amending its final results of the administrative review of the antidumping duty (AD) order on welded line pipe from the Republic of Korea to correct a ministerial error in the calculation of the weighted-average dumping margin of SeAH Steel Corporation (SeAH). Correction of the error results in revised margins for SeAH and the companies not selected for individual examination. Finally, in correcting this error, we also discovered an error in the assessment rates calculated for Hyundai Steel Company (Hyundai Steel), which did not affect Hyundai Steel's final dumping margin. The amended final dumping margins are listed below in the section entitled, "Amended Final Results."

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *Federal Register*].

FOR FURTHER INFORMATION CONTACT: David Goldberger or Ross Belliveau, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-4952, respectively.

SUPPLEMENTARY INFORMATION:

Background

On July 18, 2018, Commerce published the *Final Results* of the 2015-2016 administrative review in the *Federal Register*.¹ Subsequently, SeAH Steel Corporation (SeAH), one of two companies selected for individual examination, alleged that Commerce made a ministerial error related to the application of weighted-average further manufacturing costs to the appropriate U.S. sales.² On July 23, 2018, Maverick Tube Corporation (Maverick) submitted comments in response to SeAH's ministerial error allegation.³

Scope of the Order

The merchandise subject to the order is welded line pipe.⁴ The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) item numbers: 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.

¹ See *Welded Line Pipe from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2015–2016*, 83 FR 33919 (July 18, 2018) (*Final Results*), and accompanying Issues and Decision Memorandum (IDM).

² See SeAH's Letter, "Administrative Review of the Antidumping Order on Welded Line Pipe from Korea – Comments on Ministerial Error in Final Determination," dated July 18, 2018 (SeAH Ministerial Error Allegation).

³ See Maverick's letter, "Welded Line Pipe from the Republic of Korea: Maverick's Reply to SeAH's Ministerial Error Comments," dated July 23, 2018.

⁴ For a complete description of the scope of the order, see Memorandum, "Decision Memorandum for the Preliminary Results of the 2015-2016 Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea," dated January 2, 2018.

Ministerial Error

Section 751(h) of the Tariff Act of 1930, as amended (the Act), defines “ministerial errors” as including “errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial.”⁵ SeAH alleges that we made a ministerial error in our calculation of its margin by incorrectly assigning the control number (CONNUM)-specific weighted-average further manufacturing costs to all of SeAH’s U.S. sales of that CONNUM, rather than only those sales of that CONNUM that underwent further processing in the United States.⁶ After analyzing the comments of interested parties, we find that we made a ministerial error in the *Final Results*, within the meaning of section 751(h) of the Act and 19 CFR 351.224(f), with respect to SeAH’s further manufacturing costs for its U.S. sales.⁷ Correction of this error in SeAH’s final margin program results in a revised weighted-average dumping margin for the company. Furthermore, we are revising the review-specific average rate applicable to the 22 companies not selected for individual examination in this administrative review. For a detailed discussion and analysis of the ministerial error, *see* the Ministerial Error Memorandum.

⁵ *See also* 19 CFR 351.224(f).

⁶ *See* SeAH Ministerial Error Allegation.

⁷ *See* Memorandum, “Welded Line Pipe from Korea: 2015-2016 Administrative Review of the Antidumping Duty Order - Ministerial Error Allegation,” dated concurrently with this notice (Ministerial Error Memorandum).

Finally, in correcting this error, we also discovered an error in the assessment rates calculated for Hyundai Steel. This error did not affect the final dumping margin calculated for Hyundai Steel.⁸

Amended Final Results of the Review

As a result of correcting the ministerial error described above, we determine that the weighted-average dumping margins are as follows:

<u>Exporter/ Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
Hyundai Steel Company/Hyundai HYSCO ⁹	18.77 ¹⁰
SeAH Steel Corporation ¹¹	14.39

Review-Specific Average Rate Applicable to the Following Companies:¹²

<u>Exporter/ Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
AJU BESTEEL CO., Ltd.	16.58
Daewoo International Corporation	16.58
Dong Yang Steel Pipe	16.58
Dongbu Incheon Steel Co.	16.58

⁸ See “Calculations for Hyundai Steel Company for the Amended Final Results,” dated concurrently with this notice.

⁹ As discussed in *Welded Line Pipe from the Republic of Korea: Final Determination of Sales at Less Than Fair Value*, 80 FR 61366 (October 13, 2015), and accompanying IDM at 1, Hyundai HYSCO merged with Hyundai Steel subsequent to the period of investigation and Hyundai HYSCO no longer exists. Accordingly, our examination of Hyundai Steel includes entries made by Hyundai HYSCO prior to the date of the merger.

¹⁰ This is the rate we calculated for Hyundai Steel in the *Final Results*.

¹¹ We incorrectly referred to SeAH as “SeAH Steel Company” in our *Final Results*. However, SeAH’s correct full name is SeAH Steel Corporation.

¹² This rate is based on the simple average margin for those companies selected for individual review. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. See *Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010); see also Ministerial Error Memorandum, and Memorandum, “Calculations for SeAH Steel Corporation for the Amended Final Results,” dated concurrently with the Ministerial Error Memorandum.

Dongbu Steel Co., Ltd	16.58
Dongkuk Steel Mill	16.58
EEW Korea Co, Ltd.	16.58
HISTEEL Co., Ltd.	16.58
Husteel Co., Ltd.	16.58
Keonwood Metals Co., Ltd.	16.58
Kolon Global Corp.	16.58
Korea Cast Iron Pipe Ind. Co., Ltd.	16.58
Miju Steel MFG Co., Ltd.	16.58
MSTEEL Co., Ltd.	16.58
NEXTEEL Co., Ltd.	16.58
Poongsan Valinox (Valtimet Division)	16.58
POSCO	16.58
Sam Kang M&T Co., Ltd.	16.58
Sin Sung Metal Co., Ltd.	16.58
Soon-Hong Trading Company	16.58
Steel Flower Co., Ltd.	16.58
TGS Pipe	16.58

We intend to disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act, and 19 CFR 351.212(b)(1), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the amended final results of this review.

Pursuant to 19 CFR 351.212(b)(1), where Hyundai Steel and SeAH reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where Hyundai Steel did not report entered value, we calculated the entered value in order to calculate the assessment rate.

Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average¹³ of the cash deposit rates calculated for Hyundai Steel and SeAH. The amended final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the amended final results of this review and for future deposits of estimated duties, where applicable.¹⁴

We intend to issue liquidation instructions to CBP for Hyundai Steel, SeAH, and the companies subject to the review-specific average rate 15 days after publication of these amended final results of this administrative review.

Cash Deposit Requirements

The following cash deposit requirements will be effective retroactively for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after July 18, 2018, the date of publication date of the *Final Results*, as provided by section 751(a)(2)(C) of the Act: 1) the cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; 2) for previously investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most

¹³ This rate was calculated as discussed in footnote 11, above.

¹⁴ See section 751(a)(2)(C) of the Act.

recently completed segment of this proceeding in which the company participated; 3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and 4) the cash deposit rate for all other manufacturers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.¹⁵ These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby

¹⁵ See *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056, 75057 (December 1, 2015).

requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

These amended final results and notice are issued and published in accordance with sections 751(h) and 777(i) of the Act and 19 CFR 351.224(e).

James Maeder
Associate Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations
performing the duties of Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

August 6, 2018

(Date)

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